

President's June Council Meeting Report 2006

CLBG Proposal

Recently obtained independent legal advice has been received by NatCom that the new constitution to convert the AAA to a Company Limited by Guarantee (CLBG) as drafted by Dougal MacDonald did not meet the requirements of the Corporation Act and therefore the proposed constitution needs to be reworked once again to comply with the Act. This will take some time and the vote to change to a CLBG will be deferred to the first quarter of 2007. NatCom expects the final constitution will be passed by members at an OGM next year and that the AAA will operate as a CLBG from 1st July 2007.

Chief Executive Officer

NatCom hope to have a Chief Executive Officer appointed to the AAA at the next AGM , but due to unknown recruitment period, this may occur further down the track. The cost (\$100,000) has been budgeted for in the next financial year.

Treasurer's Report and Next Financial Year's Budget Deficit

Josephine Christmas reported that draft budget for next financial year would be \$200,000 in deficit (50% is the Chief Executive Officer's recruitment cost and salary package). Approximately half a day of the Council meeting was devoted to looking at cost cutting measures to bring in a balanced budget.

The current 2006 year is traveling well with the treasurer's report for the period to 31 March 2006 showing a surplus. This surplus includes registrations being \$155,000 ahead of budget – mainly due to import monies. The treasurer felt that these import monies should be set aside as the AAA general reserve. The treasurer hoped that the AAA can finish the 2006 year with a surplus of between \$180,000 and 200,000.

Marketing

Nick Veltgens expressed the opinion that McGregors International had been invaluable in their support of regions both in training RMRs and assisting them with their LAMPS (Regional Marketing Plans) His recommendation was to continue to use McGregors for a further year. The budget allows for a basic retainer of \$45,000 per annum.

The opinion of most Regional Presidents was that the Regions have received little support from McGregors and most regions do their own marketing without consulting McGregors (due to cost). The Presidents were also concerned about the currency of information provided by McGregors.

The production of the 2007 National Alpaca Review will be deferred until July 2007 as a budgetary constraint for the next financial year.

Animal Health and Welfare

1. NLIS

A significant development that will affect all members is the move towards the AAA encouraging all members to become registered for the National Livestock Identification System (NLIS) by obtaining a property identification code (PIC) from the relevant state authority. NLIS is being brought into place for all species susceptible to foot and mouth disease (FMD). This includes all members of the Camelid family. It is likely that the NLIS will become compulsory for all alpaca breeders at some stage, but the timing for its institution is still not known. The NLIS system will take years to develop and the depth of issues involved is complex. It was recommended by the NLIS Working Group that the AAA should apply for funding for the purpose of employment of a professional consultant in this field.

In the meantime, you will start to see provision for a PIC number on relevant AAA stationary where a property address is given.

2. Animal Health Australia (AHA) Membership

The AAA representing the Australian Alpaca industry has been accepted as a member of Animal Health Australia. This has many ramifications including the elevation of Alpaca to a recognized livestock (rather than an exotic animal) and opens the door for the Alpaca industry to apply for specific State and Federal funding for animal health related activities.

3. Q Alpaca Program.

As of Feb 28th, 2006, 148 studs had registered to join the program. Membership of the program is currently limited to AAA members. It was moved that the AAA agree in principal to the inclusion of non-AAA members to the Q alpaca program when it permissible to do so in line with the wish of Animal Health Australia.

The program so far has demonstrated its ability to check for the continuing absence of JD nationally, as well as providing a flexible means of monitoring the absence of diseases and conditions that are of concern to alpaca breeders. Post-mortem examinations revealed hitherto unknown infestations of liver fluke and puzzling number of gastric ulcers in several herds. The later problem will form the basis for some ongoing investigation (mainly into the possibility of helicobacter infection).

There were concerns expressed by some members of the AAA that there may be a strain of Bovine Viral Diarrhoea (BVD) in the Australian herd. Financed by A mini survey in the Eastern States financed through the AHW budget showed no evidence of BVD. However members should be aware of the possibility of this virus' capability to cause infertility, abortion or cria deaths.

4. Alpaca MAP Audits

AHA has informed the AAA that it intends to start conducting annual audits of selected AlpacaMAP herds from the end of June. The auditing of MAP herds in other livestock sectors is customary with approximately 10% of the registered sheep and cattle MAP herds being audited annually. There is a cost of \$300 per audit. It was moved and passed that in line with assistance by other industries to their respective MAP participants, AAA will support AlpacaMAP participants by way of a subsidy of up to \$300 for forthcoming AlpacaMAP audits by AHA.

5. Castration

A motion was passed that the AAA supports the importance of animal welfare and puts a priority to the identification, research and development of humane means of alpaca castration by producers.

Education and Training

A motion was passed that Council recommend that the \$800 Education and Training funding to regions be automatically be given without the need for the regions to make application each year.